

March 24, 2006

APPEARANCES:

1. MARK B. HANSON, ESQ.
First Floor, Macaranas Building
Beach Road, Garapan
PMB 738, Box 10,000
Saipan, Mariana Islands 96950

Attorney for Plaintiffs

2. SEUNG-HEE CINDY YU
P.O. Box 503382 CK
Saipan, MP 96950

Deponent

STIPULATIONS: None.

1 BY MR. HANSON: Okay, we're on the record in the case of Li Ying Hua, Li
2 Zheng Zhe, Xu Jing Ji, plaintiffs versus Jung Jin Corporation, Asia Enterprises, Inc., Park
3 Hwa Sun and Kim Hang Kwon in the case civil action number CV05-0019 currently
4 pending in the United States District Court for the Northern Mariana Islands.

5 My name is Mark Hanson. I am the officer for this deposition and I'm also the
6 attorney for plaintiffs.

7 Present here today is Miss Seung Hee Cindy Yu she -- pursuant to a subpoena for
8 a deposition we continued the date for this deposition to today, which is March 24th,
9 2006, the time is approximately 10:15. We are at the law offices of Mark Hanson, in the
10 conference room of my office in Garapan, Saipan, CNMI.

11 Good morning, Miss Yu.

12 THE WITNESS: Good morning.

13 MR. HANSON: The first thing I would like to do is swear you in so you're under
14 oath. So you raise your right hand. Do you swear to tell the truth, the whole truth and
15 nothing but the truth in your testimony here today?

16 THE WITNESS: I do.

17 MR. HANSON: Okay.

18 EXAMINATION BY MR. HANSON:

19 Q. Now, you you're under oath and you understand that you have to tell the
20 truth and if you don't you could be prosecuted for perjury. Okay.

21 Also, because this is being recorded you need to speak out and speak up so we get
22 a good record.

23 First of all, you're feeling okay today? You're not sick or anything?

1 A. I don't think so.

2 Q. Okay. Do you want anything to drink or any ... you're all right?

3 A. I think so.

4 Q. Okay. Do you --

5 MR. HANSON: Miss Yu is -- for the record Miss Yu is the only person present.

6 There are no defendants here today or attorneys for the defendants and there's no attorney
7 for Miss Yu.

8 Miss Yu, I told you before we started that you could if you wanted provide --- you
9 can bring an attorney for yourself, although I don't believe it's necessary, it's not my
10 decision, it's yours. But you can get an attorney. Have you talked to an attorney about
11 this?

12 THE WITNESS: No.

13 MR. HANSON: Do you want to talk to an attorney about this?

14 THE WITNESS: Because I was going to -- I thought Mr. Kim going to hire one
15 attorney. So, you know, basically I was going to come with his attorney, but seems like
16 he couldn't get one.

17 MR. HANSON: Okay. You don't know that -- whether Mr. Kim has hired an
18 attorney or not?

19 THE WITNESS: Looks like he's not able to do.

20 MR. HANSON: Okay. My questions are going to be about the documents that
21 you provided to me pursuant to the same subpoena and all having to do with Jung Jin
22 Corporation and Asia Enterprises Inc. We've already taken the deposition of Asia
23 Enterprises Inc., Mr. Kim testified in the deposition. We noticed the deposition of Mrs.

1 Park and -- in Jung Jin Corporation but she went to Korea right before the depositions
2 and to my knowledge she hasn't returned. Also the attorney for all four of them, Jung Jin
3 Asia, Mr. Kim and Miss Park, withdrew from the case, as you know, Mr. Nutting
4 withdrew. And I have not been noticed -- nobody's given me notice that any new
5 attorney has come into the case. Do you know if Mr. Kim was looking for a new
6 attorney?

7 THE WITNESS: That's what he was telling me. So, actually I had appointment
8 with you, I think last week or previous week, I came in.

9 MR. HANSON: I think last -- last week.

10 THE WITNESS: I forgot the date, but, you know, that's the time he was telling
11 me that he's going to hire one attorney.

12 MR. HANSON: Right.

13 THE WITNESS: Because he has time till 17 to, you know, look for one attorney.
14 So that's why I came in and I explained to you and then you just postponed the
15 deposition.

16 MR. HANSON: Right.

17 THE WITNESS: And then I tried to get in touch with him and then I was asking
18 him, he said he couldn't find any, so that's why I came in by myself.

19 MR. HANSON: Well, technically the -- you know, you had an opportunity to go
20 consult with an attorney because this was originally noticed from March 6th and it's now
21 March 24th. I would like to just continue with this deposition today; if there's any time
22 where you feel like you really want an attorney present, you're not a defendant in the
23 case; there are no allegations against you.

1 THE WITNESS: I see.

2 MR. HANSON: But if at any time you feel uncomfortable, you want to take a
3 break, you want to make a phone call, you want to -- you feel like you need to have an
4 attorney, just let me know.

5 THE WITNESS: Okay. I'll do that.

6 MR. HANSON: All right.

7 THE WITNESS: Thank you.

8 Q. When did you first get involved with Jung Jin Corporation?

9 A. I think it's more than ten years ago.

10 Q. How did you first become involved with Jung Jin?

11 A. Because they asked me to come to do the tax service?

12 Q. Who asked you to come?

13 A. Mrs. Park.

14 Q. Mrs. Park. Was she involved with Mr. Kim at the time?

15 A. I think so.

16 Q. What's their relationship?

17 A. I thought they were husband and wife, but I'm not sure.

18 Q. So more than ten years ago Mrs. Park asked you to come and what, what
19 was the nature of your relationship?

20 A. Actually at the beginning the Asia Corporation was the one.

21 Q. So Mrs. Park asked you to come in for Asia?

22 A. For the -- yeah, Asia Corporation to handling their tax service.

23 Q. Was there any Jung Jin Corporation when you first started?

1 A. I don't think so. And then later on she set up the corporation I think.

2 Q. Do you know -- did you have -- did you help her set up Jung Jin
3 Corporation?

4 A. No.

5 Q. And Asia Corporation was already in existence?

6 A. Yes.

7 Q. Do you know what year that was that you started doing services for Asia?

8 A. I cannot say when exactly but more than ten years ago.

9 Q. Okay.

10 MR. HANSON: And you have to speak up a little. I'm going to move the
11 microphone closer to you. It's just so we get a good recording.

12 Q. How was it that Mrs. Park knew to come and talk to you?

13 A. Actually one of my friends she was asking me to visit them at their -- you
14 know, that job site. So I went there and then that's how we start.

15 Q. Where was -- where was their job site then?

16 A. I think at the Chalan Kanoa near Carmen Safeway.

17 Q. So the old auto repair shop and tire shop.

18 A. Yes. Yeah, that was the one.

19 Q. Do they still have the auto repair shop?

20 A. I'm not sure.

21 Q. And the tire shop?

22 A. I'm not sure.

23 Q. So when they -- you met with them, then you became involved with Asia

1 Enterprises.

2 A. Yes.

3 Q. What was your involvement? What was your --

4 A. I was -- basically I was doing, you know, tax service, monthly, quarterly
5 and then yearly the 1120.

6 Q. Okay.

7 A. That was the one.

8 Q. Anything else?

9 A. No.

10 Q. Was there at some time that you became involved with Jung Jin also?

11 A. Maybe they -- they are satisfied with my service so she asked me to take
12 care of, you know, Jung Jin Corporation too.

13 Q. Okay.

14 A. So there was --

15 Q. Now, correct me if I'm wrong, but you said that Miss -- Mrs. Park started
16 or created Jung Jin Corporation, you said some time after you started working or doing
17 tax services?

18 A. Actually I'm not sure whether Jung Jin and Asia was existing already
19 when I -- before, you know, but actually Asia is the one I took care of first and then later
20 on Jung Jin. So I don't know, maybe Jung Jin was there.

21 Q. Okay.

22 A. I have no idea that part, because I didn't, you know, help them to set up
23 the corporation so I have no idea.

1 Q. How -- how long have you been perform -- how long have you been
2 associated or how long have you been doing services for Jung Jin Corporation?

3 A. That is about same period of time too.

4 Q. Well, you first started working for Asia and how long after you were
5 doing tax services for Asia did you start doing some work for Jung Jin?

6 A. I don't remember.

7 Q. Was is it pretty soon afterwards or was it a couple of years?

8 A. Maybe a couple of years later.

9 Q. But it was a long time ago?

10 A. Yeah.

11 Q. At some point you became an officer and director of one or both of the
12 companies; is that right?

13 A. That's in Asia.

14 Q. Asia.

15 A. Yeah.

16 Q. Were you ever an officer or director of Jung Jin?

17 A. I don't think so.

18 Q. Why were -- why did they have you become an officer and director of
19 Asia?

20 A. Because I was taking care of their -- you know, the tax documents and
21 then I think they had some -- just -- mainly one of their, you know, officers so they had --
22 I think they went to -- they had some -- I don't know whether they have court case or
23 what, but, you know, they have some distribution -- no, distribute about, you know, that -

1 - whatever, you know, they were doing -- together.

2 Q. They had some distribution?

3 A. Yeah.

4 Q. What do you mean?

5 A. No, no, no. I made it -- I think they had -- let me just tell -- say that
6 because the -- one of the officer has resigned and then --

7 Q. Okay.

8 A. -- yeah, and then they are asking me to be there, you know, one of the
9 officer.

10 Q. Okay.

11 A. So -- because I knew the -- so anyway, I agreed and then I just let them
12 use my name until Mrs. Park was saying that when his son is coming over they want to
13 remove my name and then they want to put his name in. So I said okay.

14 Q. Did --

15 A. And that was it.

16 Q. Did they -- they pay you for acting as an officer and director?

17 A. No.

18 Q. But they paid you for the tax services?

19 A. Yes.

20 Q. When was it that you became an officer and director of Asia; do you
21 remember?

22 A. I'm not sure; maybe you can check the files.

23 Q. Who -- do you remember the name of the director, the officer that had to

1 resign?

2 A. I think Choi -- I don't remember his full name.

3 Q. Was it Mr. Choi?

4 A. Mm-hm.

5 Q. And then how long were you an officer before -- did Mrs. Park's son

6 eventually come to Saipan?

7 A. I never met him.

8 Q. But did he -- to your knowledge did he come?

9 A. I think so.

10 Q. Okay. And when he came did she substitute in him?

11 A. No.

12 Q. Are you still an officer or director of Asia?

13 A. No I'm not, I'm not.

14 Q. Are you an officer and director of Jung Jin?

15 A. No I'm not.

16 Q. When's the last time you were? When did you resign then?

17 A. I think sometime February of this year.

18 Q. 2006?

19 A. I think so.

20 Q. From Asia?

21 A. Yes.

22 Q. All right. And as far as Jung Jin you were never an officer and director so

23 no resignation?

1 A. No.

2 Q. Did you also help Mrs. Park with the corporate resolutions and so forth?

3 A. No I didn't.

4 Q. No?

5 A. No.

6 Q. Do you know if she had somebody else help her with that?

7 A. I think she probably went to Mr. Yana.

8 Q. Okay. Mr. -- so Mr. Yana's been the attorney for the -- for -- for Mrs.
9 Park before?

10 A. I'm not sure.

11 Q. Now, in the years that you were -- you said it's almost ten years that
12 you've been associated with Mrs. Park and Mr. Kim and their businesses.

13 A. Yes.

14 Q. You performed the tax services. Did you have any other duties or
15 responsibilities?

16 A. And while I was doing tax services I was doing the labor document
17 handling too.

18 Q. Okay.

19 A. Because, you know, eventually they're asking all the license copy and tax
20 copy or whatever, you know, to submit for that JVA. So eventually she was asking me to
21 take care of that thing too.

22 Q. And when you say she, who are you talking about?

23 A. Mrs. Park.

1 Q. Now, when you say labor document handling, can you describe for me a
2 little bit what you mean by labor document handling?

3 A. So when the time for renewal or transfer employees.

4 Q. Non resident workers?

5 A. Yes.

6 Q. Okay. Then you would process the paperwork?

7 A. Yes I did.

8 Q. And Mrs. Park was the one that asked you to do that?

9 A. Mm-hm.

10 Q. Was that -- for -- for what companies would you do the labor process?

11 A. I did for Jung Jin and I did for Asia.

12 Q. And was -- would it be Mrs. Park that you would deal with in both -- for
13 both Jung Jin and Asia?

14 A. Mostly.

15 Q. Okay. Who else would you have to deal with?

16 A. Mr. Kim.

17 Q. How often would you have to deal with Mr. Kim?

18 A. Maybe ten percent.

19 Q. But 90 percent Mrs. Park?

20 A. Yes.

21 Q. And does that -- how about with the tax -- the tax services; did you do tax
22 services for both Jung Jin and Asia?

23 A. Yes.

1 Q. And who was it that you dealt with Jung Jin and Asia?

2 A. Mostly Mrs. Park.

3 Q. But sometimes Mr. Kim?

4 A. Yes.

5 Q. And how often would you deal with Mr. Kim with tax related issues?

6 A. About ten percent.

7 Q. Okay. So 90 percent of your dealings with Asia and Jung Jin was Mrs.
8 Park --

9 A. Yes.

10 Q. -- and then ten percent with Mr. Kim. Is it fair to say that Mrs. Park was
11 the one that handled the business -- the paperwork and accounting side of the businesses
12 and Mr. Kim handled the operations, the maintenance?

13 A. Seems like, but I'm not sure.

14 Q. Okay. How familiar were you with their -- their businesses? Obviously
15 you -- you looked at lots of sales -- you had to look at some documents to prepare the tax
16 forms, right?

17 A. No but the thing is she is the one usually doing the figures.

18 Q. Okay.

19 A. Even the payrolls she's the one usually doing the, you know, the name and
20 then amount and then tax deduction and whatever.

21 Q. Okay.

22 A. So actually I was doing just the reporting from whatever she gave me the
23 figures.

1 Q. So Mrs. Park never gave you a -- basically a list of -- of -- or check
2 register where you had to go through and figure out from the check register what
3 expenses were what?

4 A. No, actually usually she doesn't but at the end of year we have to prepare
5 1120 just that time she just bring that.

6 Q. Right. And what would she bring to you?

7 A. Not even the check register, she just bring the, you know, that notebook
8 size --

9 Q. Okay.

10 A. -- she's writing every daily probably, you know, the activities, income,
11 expenditures, whatever. That's the one she's going to bring and based on that I'm just
12 preparing that.

13 Q. And would she bring one of those -- she would bring one of those for Jung
14 Jin Corporation, right?

15 A. Yes.

16 Q. Would she also bring one for Asia and you would do the taxes for Asia?

17 A. Asia -- no. I think I got it from the Jung Jin.

18 Q. Only for Jung Jin?

19 A. Yeah.

20 Q. How would you figure out Asia's 1120s at the end of the year?

21 A. Because she just give me that -- whatever the, you know, the expenditures,
22 just only and I just put down and then from there we work it up.

23 Q. Okay. Now, I know over years Asia had a lot of deductions or

1 depreciation expenses for building -- buildings that it owned.

2 A. Building?

3 Q. I'll show you the documents in a minute. Do you ever remember -- never
4 mind. We'll go through the documents and I'll ask about that.

5 A. Okay.

6 Q. But basically Mrs. Park would bring in a handwritten ledger in a notebook
7 for Jung Jin's expenses throughout the year.

8 A. Yes.

9 Q. But she would tell you orally basically the expenses for Asia Enterprises?

10 A. Yes.

11 Q. And that was Mrs. Park, right?

12 A. Yes.

13 Q. Okay. Did Mr. Kim ever come and talk to you about what the expenses of
14 his business were?

15 A. To my office, no.

16 Q. No. When you were preparing tax, you know, the 1120s for example, the
17 ones where you needed to list the deductions, did you ever deal with Mr. Kim?

18 A. No.

19 Q. Okay. And so you did labor processing documents and you did the tax
20 service stuff; did you have any other duties or responsibilities?

21 A. No.

22 Q. Okay. With the labor document handling, explain to me how that would
23 work? Let's say one of the employees of Jung Jin was expiring and they had to -- no,

1 strike that. Let's -- let's say that Mrs. Park decided she wanted to hire somebody new on
2 a transfer. What would -- what would happen; what would be the procedure for hiring
3 that worker?

4 A. She just come and she's -- she's just telling me she wants to hire one.

5 Q. Okay. So --

6 A. And I ask them to bring all the documents.

7 Q. Who would you ask to bring the documents?

8 A. I'm telling her to bring the employees to provide police clearance,
9 certificate, photo passport copy and then, you know, whatever the -- education
10 background, if we need that employment certification or whatever, those things and then
11 I fill out the forms and then let them sign.

12 Q. And then?

13 A. And then after that I just permit that document.

14 Q. At some point who -- at some point they would give you some money to
15 pay the filing fees and they would give you money to cover your fees.

16 A. Yes.

17 Q. Who would pay you that money?

18 A. Mrs. Park.

19 Q. Mrs. Park would give you, what a check or cash?

20 A. Sometimes cash, sometimes check.

21 Q. Did the employees every give you any money directly?

22 A. No.

23 Q. How was it that you figured -- strike that. Did you ever give Mrs. Park an

1 invoice for the total amount that --

2 A. Sometimes I do, sometimes, you know, she has -- sometimes she writes
3 check and I don't do. So, you know, some she had, some she doesn't have.

4 Q. Okay.

5 MR. HANSON: I'm going to mark what's previous been Bates stamped. When I
6 say Bates stamp it's a little machine that we use that stamps it. So for the record it's been
7 Bates stamped document number 00338 and I'll mark it Exhibit A. I'm going to show
8 this to you.

9 Q. Do you recognize that?

10 A. Yes.

11 Q. Okay. What is that?

12 A. I usually put how much the fee, bonding, registration, JVA and then plus
13 my service fee is how much is total.

14 Q. Okay. Now, this isn't a very good copy but for the record I'm just going
15 to say that it appears to be that -- it's a pre-screening check list, right?

16 A. Yes.

17 Q. And this would be for a transfer employee, an expiration transfer
18 employee that was being hired by -- do you know which company, Asia or Jung Jin?
19 Does it say?

20 A. Doesn't say.

21 Q. Okay. This is one of the documents that you provided.

22 A. Yes.

23 Q. Okay. And it has a bunch of handwriting on it, right?

1 A. Yeah.

2 Q. On the margins.

3 A. Yes.

4 Q. And it has different amounts for the filing fee, for the health certificate, for
5 the JVA. Which one is your fee on there?

6 A. 200.

7 Q. 200.

8 A. Yeah.

9 Q. And there's a total on this particular document that says \$576. And -- is it
10 576 or 5 -- looks like 576.

11 A. Yeah, probably.

12 Q. It's not a great copy. So then Mrs. Park would issue you a check or give
13 you cash and you say that the workers never -- the person that was being hired -- that this
14 pre-screen check list is associated with, they weren't the ones that gave you this money?

15 A. No, no way.

16 Q. And that never happened?

17 A. No.

18 Q. Okay. Did you ever hear of any of the workers of -- of either Jung Jin or
19 Asia claiming that they were the ones that actually paid the filing fees and the other
20 expenses that Mrs. Park provided you when she gave you the money that's listed, that
21 was itemized on Exhibit A?

22 A. No.

23 MR. HANSON: All right. I'm going to mark -- I'm going to mark this document

1 previously been Bates stamped 01229 as Exhibit B. I'm going to show this one to you.

2 Q. It appears to be a receipt, right?

3 A. Yes.

4 Q. Dated February 16th, 2004. And can you just tell me what this is?

5 A. It's Li Ying Hua and one TWA's processing and service fee.

6 Q. Okay. And the total is how much, \$540?

7 A. Yeah. I received \$540 including my 200- service fee.

8 Q. Okay. And that's -- that was paid to you by Jung Jin Corporation?

9 A. Yes.

10 Q. And that covers one worker or two workers?

11 A. Two. Li Ying Hua and one TWA.

12 Q. And now in February 2004 was there a fee for TWAs then? Didn't they
13 start that in -- maybe they did start that then.

14 A. I'm not sure. I'm not sure.

15 Q. But Mrs. Park is the one that provided the money to you?

16 A. Yes.

17 Q. And you gave Mrs. Park the receipts?

18 A. Yes.

19 Q. Okay. All right. Now, I just want to go through -- let me -- let me see.

20 Let's talk about some other stuff. When -- when you would prepare tax documents you
21 prepared the quarterly BGRTs.

22 A. Yes.

23 Q. Which is basically just reflected gross revenues. Those BGRTs covered

1 the operations of Jung Jin and Asia Enterprises, right?

2 A. Yes.

3 Q. Jung Jin was -- what lines of business for the most part were Jung Jin
4 doing? So they have poker?

5 A. Poker.

6 Q. They had laundry.

7 A. Laundry.

8 Q. And they had a retail market.

9 A. Market. Yeah, I think that was it, yeah.

10 Q. Okay. On a -- on a couple of occasions Jung Jin had to amend its -- its
11 gross revenue --

12 A. Yes.

13 Q. -- taxes.

14 A. Yes.

15 Q. Okay. Why did they have to amend those?

16 A. Because they had audit from revenue and tax.

17 Q. Okay.

18 A. So because of that, you know. I think that's on the poker room side.

19 Q. The poker room side?

20 A. Yeah.

21 Q. Was it that they were operating machines that weren't licensed or was it --

22 A. No, no, no.

23 Q. -- under reporting?

1 A. Seems like that's what, you know, the Revenue and Tax Office was saying
2 so they ordered to pay, I don't know.

3 Q. Okay. The machines basically keep a computer record of --

4 A. I think so but I don't know anything about that because she doesn't bring
5 any documents regarding that, including -- business license, the general business license
6 I'm the one who's handling to renew, but poker license she's the one. So I have no idea
7 how many machines they have, you know, that.

8 Q. So you handled the business licenses.

9 A. Yes.

10 Q. What about any other licensing? You said she handled the poker
11 licensing. Was there any other licensing? You had labor certificates, business licenses;
12 what about their -- their long-term business entry permit holders?

13 A. No they are the ones who was doing it.

14 Q. They did those themselves?

15 A. Yes.

16 Q. Do you know if anybody else helped them with that? Mr. Kim told me
17 that a lot of the numbers that they put in the tax documents were put there for purposes of
18 showing income to be able to hire workers and get long-term business entry permits. Do
19 you know anything about that?

20 A. I think once they had -- especially Asia had a hard time for his -- you
21 know, renewing his business visa.

22 Q. Okay.

23 A. So they have to go through, you know, to cash bond or something and

1 then, you know, anyway he had some hard time. So every since then I think, you know,
2 they try to show a little more.

3 Q. So they tried to show a little more income than what they were making?

4 A. Yes.

5 Q. Even though they had to pay more taxes on that?

6 A. Yeah.

7 Q. Okay.

8 MR. HANSON: I'm going to mark this document, it hasn't been previously
9 Bates stamped. But this is a document you provided in pursuant to the subpoena most
10 recently in the second box of documents. I'm going to mark it Exhibit C.

11 Q. And you can see it's a W2, right, W2CM for the year 2003 and who is it
12 for?

13 A. Park Hwa Sun.

14 Q. Park Hwa Sun from -- and the employer on there is --

15 A. Jung Jin Corporation.

16 Q. How much is the amount?

17 A. I think it's 12,000-

18 Q. Okay. So this basically reports that -- to the government that Mrs. Park
19 was provided a salary of \$12,000 for the year 2003?

20 A. Yes.

21 Q. Did -- did you prepare this document?

22 A. Yes.

23 Q. Okay. Is this a true and accurate copy of the W2 for Mrs. Park for 2003?

1 A. Yes.

2 Q. Okay. And did she basically claim \$12,000 of salary every year?

3 A. That one I'm not sure, but she wants to -- she asked me to put her in the
4 payroll and getting 1000- and then she's paying --

5 Q. 1000- a month out of that?

6 A. Yes.

7 Q. How about Mr. Kim, was he ever on the payroll?

8 A. No.

9 Q. Was he ever on the payroll of Jung Jin?

10 A. I don't think so.

11 Q. Was he ever on the payroll of Asia?

12 A. I don't think so.

13 Q. Did -- to your knowledge did Jung Jin used to pay Asia for any services?

14 A. Any services for what?

15 Q. Any kind -- for anything.

16 A. I have no idea.

17 Q. Okay. We'll go through some tax documents, but it looked to me like
18 there were some payments from -- a lot of payments from Asia to Jung Jin but never any
19 payments from Jung Jin to Asia and I just wanted to see if you knew anything about any
20 of that. The -- these payments here, right, this \$540 for processing fees that's shown in
21 Exhibit to for Li Ying Hwa and some other worker; does this include the health
22 screening?

23 A. At the clinic?

1 Q. Yeah.

2 A. No.

3 Q. Who pays for the health screening at the clinic?

4 A. I don't know.

5 Q. Okay. You don't know but this figure does not include that?

6 A. No.

7 Q. All right.

8 MR. HANSON: And I'll apologize, these things aren't in the most perfect of
9 order. I basically have a copy -- a stack of documents and I kind of want to work through
10 them all and then we'll be finished. But we might be jumping around subject matter a
11 little bit.

12 THE WITNESS: Okay.

13 Q. These are two documents and basically I just want to authenticate these
14 and maybe ask some questions. I'm going to show you what's previously been Bates
15 stamped document number 00016 and I'll mark it as Exhibit D. And this looks like it's a
16 balance sheet for Asia Enterprises Inc. effective September 30th, 2004, right?

17 A. Yes.

18 Q. And is this -- did you prepare this document?

19 A. Yes.

20 Q. Is this a true and accurate copy of the document that you prepared?

21 A. Yeah. Based on whatever they gave me the figures.

22 Q. Okay. Mrs. -- is it Mrs. Park or Mr. Kim that provided you the
23 information for this document; if you remember?

1 A. Most of times Mrs. Park is the one, so probably Mrs. Park is the one.

2 Q. Okay. This doesn't show any -- this shows \$333 in taxes payable, right,
3 but other than that it doesn't show any other liabilities. Including any loans from the
4 shareholders, right? Isn't that right?

5 A. Yes.

6 Q. I'm going to show you now what's been previously Bates stamped
7 document 00018, mark it Exhibit E. Now, this is basically nine months before it, right?

8 A. Yes.

9 Q. December 31st, 2003. Same company, Asia Enterprises Inc, a balance
10 sheet.

11 A. Yes.

12 Q. Did you prepare this document?

13 A. Yes.

14 Q. Is this a true and accurate copy of the document that you prepared?

15 A. Yes.

16 Q. And this shows -- now this shows a loan from shareholders. How did --
17 who provided the information on the loans from the shareholders for you to include in
18 this document?

19 A. Actually when I prepare this one whatever they give me the figures based
20 on, you know, the BGRT with all the -- whatever that is, we report to Revenue and Tax I
21 work on that numbers first and then -- I know they don't have any liabilities with
22 somebody else to -- outsiders because I'm telling her and then, you know, we discuss and
23 they just say okay we can put it as a loan from shareholder then that's the time I put in.

1 Q. Okay. But let's talk about that a little bit, because I don't exactly
2 understand. First of all you said they don't have any loans from outsiders?

3 A. That's what I -- what I was told.

4 Q. Did she ever tell you about any loans from outsiders --

5 A. No.

6 Q. Okay. How about the whole time that Jung Jin has been in operations and
7 Asia, do you -- did they ever tell you of any loans?

8 A. No.

9 Q. Anything -- any money that they borrowed?

10 A. No.

11 Q. Have you ever heard of Kim Ki Sung?

12 A. No.

13 Q. So Mrs. Park or Mr. Kim never told you about any money that they
14 borrowed from Mr. Kim Ki Sung?

15 A. No.

16 Q. How about -- have you ever heard of Miss Kim Pil Sun Kitami?

17 A. No.

18 Q. Did Mrs. Park or Mr. Kim ever tell you about any money that they
19 borrowed or that their corporations borrowed from Mrs. Kim?

20 A. No.

21 Q. Okay. So in all of the documents that you prepared, in all the tax
22 documents, none of them are going to show any loans from any outsiders any -- anybody
23 outside of --

1 A. I don't think so.

2 Q. Now, let's talk about -- I don't understand why there had to be the
3 reflection of a loan and for the record this says that -- it has a line -- first line of the
4 liabilities and stockholders equity says loans from shareholders \$105,493, right, and can
5 you explain to me again why Mrs. Park told you to put that number there? Because it had
6 to balance with the cash on hand?

7 A. Yes.

8 Q. All right. So for the record this says that there was \$102,637 in the bank
9 and that's cash.

10 A. Not in the bank -- cash.

11 Q. So they had cash -- they had it -- cash in their cookie jar in their house or
12 in the bank or whatever. But they had cash on hand and so that was the total assets at the
13 time of Asia Enterprises?

14 A. I think it could make like that, there's no other choice because she doesn't
15 give me any other information to, you know, to make it. And then that's the time I think
16 they sold that -- actually used to have a laundry and store at Susupe and they sold it.
17 That's why it shows on the BGRT because they paid tax on that, made a sale so they
18 made a tax -- paid the tax on that. So I have to work on that figures too so that's the only
19 way I could come up.

20 Q. Okay.

21 A. So with her consent it's okay.

22 Q. So you looked at the figures and they had the sale, and that was -- that was
23 Wonderful Laundry and Wonderful Poker, right?

1 A. Yes. That's right.

2 Q. Okay. And Mr. Kim, Asia Enterprises owned that and he sold that in
3 sometime in 2003, right?

4 A. Yeah.

5 Q. Okay. So he had a lot of cash and basically no more business.

6 A. Yeah.

7 Q. He sold all the assets and he changed it to cash.

8 A. That's right.

9 Q. So that's why that's cash on there.

10 A. That's right.

11 Q. And he paid taxes on that sale and that was reported. So you had to on the
12 balance sheet show the cash that he had at the end of the year.

13 A. Yeah.

14 Q. Then you went down and you said all right basically the shareholders
15 equity was \$30,000 of capital stock; is that right?

16 A. Yes.

17 Q. And you had a difference -- how did you get the retained earnings -- oh
18 you took losses, you looked at an income statement?

19 A. From the income statement.

20 Q. And you said that they had operating losses of 32,000-; is that right?

21 A. Period 2003. For year 2003 we had some income, but, you know, plus
22 minus and there needs to have a minus.

23 Q. All right. So they had -- still had negative income of \$32,856 for the year.

1 A. That's right.

2 Q. And -- so you basically took the difference of that from the sale of the --
3 basically the cash on hand, the remaining proceeds, and you said that the difference was a
4 liability to the shareholders?

5 A. Yeah.

6 Q. And that was Mrs. Park and Mr. Kim, right?

7 A. Yeah.

8 Q. Okay. And that's what Mrs. Park told you to do?

9 A. Showed me.

10 Q. Showed -- she --

11 A. Yeah.

12 Q. Okay. But there was never any actual money loaned to Asia Enterprises?

13 A. I don't think so.

14 Q. Okay.

15 A. Not that I see.

16 Q. All right. Okay.

17 MR. HANSON: I'm going to show you what's been previously marked as Bates
18 number 00575 and 576, it's two pages; I'm going to mark it as Exhibit F, right, A, B, C,
19 D, E, F. It is a -- purports to be a listing of non resident workers issued certificates for
20 the last four years, right. The first page shows itemization of seven employees and the
21 second page is the certification of -- and notarization by Mr. Kim Hung Kwon, the
22 president of Asia Enterprises Inc that says he has four non resident workers and one
23 resident worker.

1 A. Yes.

2 Q. And does this one go with this one?

3 A. I think so.

4 Q. And the document's dated July 18th, 2003. Did you prepare this document
5 for Mr. --

6 A. Yes.

7 Q. Okay. Is this a true and accurate copy of the documents you prepared?

8 A. Yes.

9 Q. Okay.

10 MR. HANSON: I'm going to show you what's previously been Bates stamped
11 document 00608; mark it as Exhibit G. And I probably should have started exhibits with
12 numbers but.

13 Q. This purports to be another balance sheet for Asia Enterprises Inc. dated as
14 of December 31st, 2002. So now we're a year earlier than Exhibit E, right?

15 A. Yes.

16 Q. And Exhibit E is the one we were discussing there's loans from
17 shareholders reflected of 105-. This one -- did you prepare this document?

18 A. Yes I did.

19 Q. Is this a true and accurate copy of the document?

20 A. Yes.

21 Q. Okay. And this reflects loans from shareholders now of 236,866-. This
22 one has an itemization in the asset section of a bunch of different assets and some
23 depreciation, right.

1 A. Yes.

2 Q. That was when Mr. Kim and Asia were operating the Wonderful Laundry
3 and Wonderful Poker.

4 A. That's right.

5 Q. Okay. Wonderful market. Before the sale. Is this \$236,866 that's listed
6 as loans to shareholders, is that also just a plug number? Something that was derived
7 from --

8 A. That's right.

9 Q. -- the difference between the assets and the operating losses as they affect
10 the retained earnings?

11 A. Yes.

12 Q. But to your knowledge there was never any \$236,000 paid in by Mr. Kim
13 or Mrs. Park?

14 A. Because they don't give me those kind of informations so I have to play
15 with the numbers so that's only I can come up.

16 Q. So you were the one that came up with that figure?

17 A. Yes.

18 Q. These -- this Exhibit G and this Exhibit E and Exhibit D, these three; why
19 were these three documents prepared? For what reason?

20 A. I think this one -- this one probably for 1120.

21 Q. Okay.

22 A. That's the December 31, 2002 and December 31, 2003. But this one
23 September 2004 was probably -- plan for his business visa.

1 Q. And all of these documents were prepared to submit with either tax
2 documents or other applications to the CNMI government?

3 A. Yes.

4 Q. Mrs. Park and Mr. Kim knew of the numbers that were reflected in here?
5 Did they see those figures that you put in there?

6 A. Yes, I usually show them before they sign the 1120. So probably they
7 should know.

8 Q. Okay.

9 MR. HANSON: Some of the documents I copied actually take these things out of
10 -- out of the -- oh there's the dates on there. This isn't going to help us at all. Let me see
11 here. These are all documents I'm going to return -- these three folders are going to go
12 back in that box, I'll give it back to you today.

13 THE WITNESS: Okay.

14 MR. HANSON: I don't want to get them mixed up with copies that I made of
15 those. Here is Asia's -- yeah, this is one that I wanted to ask you about. This is -- and I
16 will mark it as one exhibit in and of itself but I got to get the right -- yeah. This is one I
17 had a question about. This is all one big return I think. And this is for Asia Enterprises,
18 2004 return. It's a document that is -- has not been previously Bates stamped, it's one of
19 the documents that you provided us pursuant to the subpoena. Three, four, five, six,
20 seven, eight, nine, ten, 11 -- all right.

21 Q. It's an 11 page document; can you look at that for me?

22 A. Mm-hm.

23 Q. You've seen that before?

1 A. Yes.

2 Q. Did you prepare that document?

3 A. Yes I did.

4 Q. Is that -- every page in there is that a true and accurate copy of what you
5 prepared?

6 A. Yes.

7 Q. Now, correct me if I'm wrong but this is -- this is the 1120CM for Asia
8 Enterprises Inc. for the year 2004.

9 A. Yes.

10 Q. It's an 11 page document. I'm going to mark this one as Exhibit H.
11 Exhibit H in its entirety. Okay. Now, this one -- we looked at the -- we looked at the
12 balance sheet Exhibit E for Asia Enterprises from year 2003 and that shows cash on hand
13 of 102, that was after the sale of Wonderful Market and Wonderful Laundry, right? Now,
14 in -- the end of the year 2004, so a year later, if we look at the same balance sheet, which
15 you included in the return, it's about one, two, three, four, five, six, seven -- page nine of
16 this document, it now shows other assets, right; is that right?

17 A. Yes.

18 Q. So this -- Asia Enterprises in the year 2004, so between December 2003
19 when it just had cash and December 2004 it acquired some assets again, right?

20 A. Yes.

21 Q. One of those assets was a building -- a building improvement and it's
22 shown here as \$88,583. Do you know what that is?

23 A. Probably that's the one from Welcome Laundry.

1 Q. Okay.

2 A. I think that's the one.

3 Q. The barracks?

4 A. Yeah, I think that's the one.

5 Q. They had the barracks for -- for the workers. And here, look at the whole
6 return because you'll notice on the balance sheet included in the actual form 1120CM and
7 not the attachment it also shows the 105 -- shows the 140,000 in assets, right?

8 A. Yeah.

9 Q. But then in the schedule attached to it it shows -- that's income. I know
10 there's a little schedule here. Yeah, the schedule for the 1120, page seven of this
11 document. This also reflects the building improvement of \$88,583 that occurred
12 sometime in 2004, right?

13 A. Yes.

14 Q. You don't know what building that is?

15 A. Only barracks, that can not be 80,000.

16 Q. What's that? Say that again?

17 A. No, the barracks in front of the Welcome Laundry I think that's part of it
18 but I don't think it cannot be 80,000.

19 Q. Are you aware of any other buildings that they had at the time that they
20 would have put -- paid money in improvements that they'd be declaring as deductions?
21 What about the house in Susupe? Did they ever claim any deductions for any work on
22 the house in Susupe?

23 A. Okay. Based on this -- this is my working paper, based on this one.

1 Q. Okay.

2 A. They showed building improvement barracks and house, but I don't know
3 if this one is for that one or not.

4 Q. Okay. So --

5 A. And then poker room.

6 Q. Okay. So you basically took all the building improvements and it was for
7 three different buildings; is that right?

8 A. Yes.

9 Q. Now, when you say the working papers, you're talking about page 11 of
10 this, right? Of this -- of this -- the last page of Exhibit H, which was put together like
11 this. This is page 11. And for the record at the top it says Asia Enterprises Incorporated,
12 year 2004; the second line says income 42,820- and then next to that it says house rental
13 14,400-.

14 Well, if you go down a number of lines it has in all bold building BLDG period
15 improvement, right?

16 A. Yes.

17 Q. Is this a true and correct copy of the document that you prepared to -- as
18 your working papers?

19 A. I think so.

20 Q. Who provided you the information?

21 A. Well, she gave me the information.

22 Q. Mrs. Park?

23 A. Yes.

1 MR. HANSON: Now, I'm going to show you what I'm going to mark separately
2 as Exhibit I. And this is one of those handwritten binders you -- you were talking about
3 that has expenses on it. Could you look through that for me real quick, quick?

4 Q. Okay. Is this for Asia Enterprises?

5 A. Yes.

6 Q. And it's -- for the record, it's a photocopy -- it looks like a photocopy of a
7 ringed binder -- a ringed lined paper notebook --

8 A. Yes. Yes.

9 Q. -- with the -- the rings are at the top and there's one two three -- nine
10 pages starting with November 17th, it doesn't have a year.

11 A. So here is 2004.

12 Q. Oh okay. Then it's -- then halfway down the first page it says 2004 and
13 then it starts January 7, right?

14 A. Yes.

15 Q. So this is what you used to prepare the working pages from page 11 of
16 Exhibit H?

17 A. Yes.

18 Q. All right. Now, where it says building improvement and we were
19 discussing, it says \$5000 and in parenthesis it has barracks. So from the information
20 provided by Mrs. Park you were able to determine that Asia Enterprises spent \$5000
21 renovating a barracks in 2004?

22 A. Yes.

23 Q. It also -- now, then next then it has slash and it says house and it has 4000

1 plus 29,000 plus 17 5 plus 300 plus a few other numbers and then it equals 67,969.

2 A. Yes.

3 Q. When they -- when this says house do you know what house they're
4 talking -- this is referring to?

5 A. I'm not sure.

6 Q. Okay. But that's the information that was provided by Mrs. Park.

7 A. Yes.

8 Q. And then there's \$2,100 and after that says poker room. And so that's
9 improvements to a poker room.

10 A. Yes.

11 Q. And the total was -- the total reflected in the return, the 8000 -- the 88,000
12 -- the total in the return on the balance sheet of 88,583; is that right, would that be the
13 total?

14 A. I don't know if that's the total or not.

15 Q. 67 -- 69 -- it's actually not the total.

16 A. 75,000 -- 2,171 -- there cannot be 80,000.

17 Q. This -- there's another line on this -- this -- your worksheet that says loans
18 or loan to JJ. That's Asia -- this is Asia Enterprises worksheet, loan to JJ; what does that
19 mean?

20 A. Probably Jung Jin.

21 Q. Okay. And so -- Asia was loaning money to Jung Jin and these were all
22 the loans; is that right?

23 A. Yes.

1 Q. Did you get that from the handwritten ledger?

2 A. Yes. Yes.

3 Q. Do you know why Asia was loaning money to Jung Jin?

4 A. I have no idea.

5 Q. All right.

6 Is this -- this Exhibit I the nine page ledger, is that a true and accurate copy of the
7 documents in -- in your possession of Asia Enterprises?

8 A. Yes.

9 Q. I'm going to mark Exhibit J and just for authentication purposes, for the
10 record this appears to be the business gross revenue tax quarterly return dated 2004 for
11 the quarter ending December 31st, 2004; is that right?

12 A. Yes.

13 Q. And it's for Asia Enterprises.

14 A. Yes.

15 Q. Did you prepare this document?

16 A. Yes I did.

17 Q. And who signed this document for Asia?

18 A. Mrs. Park.

19 Q. Mrs. Park. Now, it's a document -- and it also has attachments, right?

20 A. Yes.

21 Q. So it's page one, two, three, four, five, six, seven -- this is also an 11 page
22 document.

23 A. I think this is for year 2003.

1 Q. Okay. Is this -- we'll let's clarify this. Oh okay. This is for year 2004.

2 Can you -- is this -- so this Exhibit J -- strike that. Is actually a two page
3 document, right?

4 A. Yes.

5 Q. For Asia Enterprises. Is this a true and accurate copy of the tax -- business
6 gross revenue tax return for Asia --

7 A. Yes.

8 Q. -- that was filed with the government for 2004?

9 A. Yes.

10 Q. Okay.

11 MR. HANSON: Did we get 2005 returns from you? We probably did.

12 THE WITNESS: 2005 not yet.

13 MR. HANSON: Any BGRTs for 2005? Were there any BGRTs in --

14 THE WITNESS: I think -- you can not find inside of there?

15 MR. HANSON: All right. Okay.

16 Are you all right? You want to take a break? Do you want some water?

17 THE WITNESS: No it's okay.

18 MR. HANSON: Okay. We're almost -- I just want to get through some of these -
19 - we're not going to go through all these documents. Don't worry. These are just sitting
20 out here in case I need to.

21 THE WITNESS: Okay.

22 MR. HANSON: I just want to get through these and then maybe -- I think all the
23 tabbed ones have been copied so they're probably in here.

1 THE WITNESS: Okay.

2 Q. I'm going to show you this document. Have you ever seen that document
3 before?

4 A. Yeah, this is my handwriting.

5 Q. Okay.

6 I'm going to mark this as Exhibit J then and -- it's a one page document, it hasn't
7 been previously Bates stamped. Can you describe that for the record? What is that?

8 A. It shows -- okay -- I think shows that for Asia and Jung Jin, Mrs. Park was
9 to resign from Asia, director and secretary, and then, you know, she wants to -- assign the
10 stuff to Mr. Kim, then how much is going to be forwarding fee and then, you know.

11 Q. Did you help -- that's your handwriting on there?

12 A. Yeah, this is my handwriting.

13 Q. And who was -- did you have a meeting with anybody to discuss the --
14 what notes you were putting in that paper there? Why was this -- why was your
15 handwriting -- why did you have to write out those little notes on that piece of paper? If
16 you remember.

17 A. I'm not sure. Maybe they came in and they asked my advice how -- if she
18 wants to resign and how much it's going to cost. I think that's the only reason I can think
19 of.

20 Q. So Mrs. -- who came and talked to you?

21 A. I'm not sure whether Mrs. Park or Mr. Kim or maybe both of them.

22 Q. So you don't really remember?

23 A. No.

1 Q. All right. Okay. From that, though, did you assist them in preparing any
2 documents that show transfers of stock from Mrs. Park to Mr. Kim and from Mr. Kim to
3 Mrs. Park?

4 A. I'm not sure.

5 Q. Did you ever have a meeting with Mrs. Park or Mr. Kim to talk about
6 them transferring stock to each other?

7 A. I think they did.

8 Q. But did you have a meeting with them to talk about it?

9 A. Probably.

10 Q. Did you help them prepare any documents to do with transferring stock to
11 each other?

12 A. That one I'm not sure.

13 Q. Okay. I'm going to show you what I've already marked as Exhibit K, it's
14 nine pages. It purports to be an 1120CM for Jung Jin Corporation for the year 2003. Can
15 you look through those nine pages and make sure that that's all part of the same return for
16 me?

17 A. I think so.

18 Q. And is that -- is this nine pages a true and accurate copy of what was filed
19 with the CNMI Division of Revenue and Tax?

20 A. Yes.

21 Q. Did you prepare this document?

22 A. Yes.

23 Q. Who signed this document for Jung Jin?

1 A. Mrs. Park.

2 Q. Can you look for me one more time and in this document can you tell me
3 if anywhere in here it reflects any loans to the corporation, for the year ending 2003?
4 Loans, mortgages, anything, just for the year ending 2003.

5 A. 2003, yes.

6 Q. Okay. And what does it say?

7 A. 168,896.

8 Q. Okay. And that's the -- that's the total liabilities, right? Or is that --

9 A. Yes, amounts payable.

10 Q. Okay. So five -- how did you get that number? One, two, three, five --

11 A. Oh sorry.

12 Q. This 168 is loans payable, right. Okay. And that is made up of the
13 difference between -- how did you get the number 168?

14 A. Just -- I'm -- can I look at the financial statement?

15 Q. Which is what? Is it in there?

16 A. Probably.

17 Q. Yeah. Here, anything.

18 A. Oh, this is all Asia.

19 Q. Yeah, I think we're moved on to Jung Jin now.

20 A. Should be Jung Jin.

21 Q. I have -- are either of these two helpful? This is list of assets as of 2002.

22 A. Can I look at --

23 Q. You're now look at what I've already marked as Exhibit L and it's a 15

1 page document that purports to be the 1120CM for Jung Jin Corporation for 2004, right?

2 A. Yes.

3 Q. Okay. I think I -- I'm not really sure how you got that number.

4 A. Simple -- supposed to be together, because that one and this one -- I think
5 I got to make it two.

6 Q. But this don't really match up, is that what you're saying? Both of them
7 show loans to shareholders, right; do they show loans owed from the corporation Jung Jin
8 to anybody else? It shows a tax liability, right?

9 A. Yes.

10 Q. And it shows -- there was a mortgage on something in 2002, right?

11 A. Yes.

12 Q. But in 2003 and 2004 it doesn't show any loans to any third parties does
13 it?

14 A. No.

15 Q. Is there any where else in either Exhibit K, which is 2003 1120, or Exhibit
16 L, which is -- can you look at Exhibit L for me real quick? Look through the 15 pages.

17 A. This one?

18 Q. Yeah, that one. The 2004 return -- look through all the pages and make
19 sure that that's all part of the same return. That's from a different period?

20 A. Yes, from 2003.

21 Q. Okay. Now they're right?

22 A. Yeah.

23 Q. All right. You basically added some documents to Exhibit K. Now,

1 Exhibit K is the return for 2003 has one, two, three, five, six, seven -- 13 pages and you
2 basically added four pages that were finance reports for the year end 2003, right?

3 A. Yes.

4 Q. So Exhibit L now has 11 pages in it. And is this a true and accurate copy
5 of the return that was filed for Jung Jin in 2000 -- for the year 2004?

6 A. Yes.

7 Q. You prepared that document?

8 A. Yes I did.

9 Q. Who signed the document for Jung Jin?

10 A. Mrs. Park.

11 Q. Okay. And how about Exhibit K now with the additional four pages, it's
12 got 13 pages, is that -- now you understand this to be a true and accurate copy of what
13 was filed for Jung Jin?

14 A. Yes.

15 Q. Okay. Do either -- in Exhibit K, let's go back here now. Anywhere in this
16 document does it reflect any loans that Jung Jin took out? Any money owed by Jung Jin
17 to any third party besides a shareholder? And there are some more, there are other
18 documents at the end that may -- would generally reflect.

19 A. 2003, no.

20 Q. Okay. If Jung Jin had an outstanding obligation to a third party would that
21 be reflected in the 2003 return?

22 A. I'm not sure, because based on Mrs. Park's information I just prepare that
23 for the 1120 corporate tax return, but maybe she has loan from somebody else and then

1 she didn't tell me so everything is -- so maybe she got from somebody else and then --
2 she's the one lend money from somebody else still has obligation so maybe she just input
3 all the figures for whatever is in that part, just give me whole thing. I have no idea.

4 Q. Okay. Did Mrs. Park ever tell you -- I may have asked you this before,
5 but did Mrs. Park ever tell you that she'd borrowed money from anybody else?

6 A. She doesn't tell me those things.

7 Q. Okay. How about Exhibit L, can you look for -- through that real quick
8 for me and tell me -- well, take your time, I didn't mean to say real quick, and tell me if
9 there's anywhere in there that shows a loan that Jung Jin owes to a third party, somebody
10 other than the shareholder?

11 A. No.

12 Q. Okay. Let me put that over there.

13 I'm going to show you what I'm going to mark as Exhibit M and see if you know
14 what that is?

15 A. Okay. This is for the working paper for year 2003 1120.

16 Q. Is that something -- is that a document that you prepare?

17 A. Yes.

18 Q. Is that a true and accurate copy of the document?

19 A. Yes. Actually whatever she gave me based on that -- whatever she brings
20 to me based on that I just -- this is my working paper.

21 Q. So Mrs. Park provided you information --

22 A. Yes.

23 Q. -- and from that information you prepared this document?

1 A. Yes.

2 Q. And from this document you would prepare the tax returns?

3 A. That's right.

4 Q. Okay. This document shows loan payment -- ten payments of \$1714.96.

5 Do you know what loan that's for?

6 A. Probably that time she had loan from Bank of Saipan.

7 Q. Okay. Do you know what the loan was for?

8 A. Probably for -- I'm not sure.

9 Q. And for what year is this?

10 A. Year 2003.

11 Q. And so this reflects all of the income expenses of Jung Jin Corporation?

12 A. Yes.

13 Q. For the year 2003?

14 A. Mm-hm.

15 Q. Was Jung Jin a calendar year taxpayer?

16 A. Yes.

17 Q. So their -- the fiscal year would have been January 1st through December

18 31st?

19 A. Yeah.

20 Q. Were they a cash basis or accrual basis taxpayer?

21 A. Mostly cash basis.

22 Q. I'm going to mark this one Exhibit N, N as in Nancy, and show that to

23 you. Have you seen that document before?

1 A. Yes.

2 Q. What is that document?

3 A. I think she put here for 2002 for business visa renewal. So one of the
4 requirements they ask for list of assets.

5 Q. Who prepared that document?

6 A. Oh she gave me information, I type it though.

7 Q. So Mrs. Park provided you information --

8 A. Yes.

9 Q. -- and from that information you prepared this document?

10 A. Yes.

11 Q. This document was prepared to submit with visa renewal?

12 A. Yes.

13 Q. So the long-term business entry permit?

14 A. Yes that's right.

15 Q. Okay. Is everything on there true and accurate to the best of your
16 knowledge? All the information that Mrs. Park provided you?

17 A. I think so.

18 Q. Is that a true and accurate copy of the documents in the possession of --

19 A. Commerce.

20 Q. That's what you submitted to commerce?

21 A. Yes.

22 Q. When you submitted to Commerce did it have all the handwriting on it?

23 A. I don't think so.

1 Q. Okay. But that document right there, is that a true and accurate copy of
2 the document that's in -- that you provided pursuant to subpoena?

3 A. I gave to Mrs. Park so I don't know whether she sent it to Commerce or
4 not because she is the one usually handling directly to visa renewal.

5 Q. This is one of the documents that we got out of the folders here; is that
6 right?

7 A. I think so. Although they cannot get it from any other place.

8 Q. This -- this document was kept in the records of Jung Jin Corporation and
9 all the tax records on it?

10 A. Yes.

11 Q. Is this is a true and accurate copy of the document that Jung Jin keeps as
12 its regular business practice?

13 A. I can't say that, because end of year 2002 I have to prepare 1120 so even
14 though she asked for the ... you know, for typing I have to at least have some information
15 regarding, you know, at the site because unless she doesn't -- if she give me I have, if she
16 doesn't give me I don't have it. So I think maybe from my purpose I just keep it there.

17 Q. Okay. Are you -- are you -- who keeps all of the documents for Jung Jin
18 and Asia Enterprises, the corporate papers, the tax records, the applications?

19 A. Well, I'm the one.

20 Q. You keep all the --

21 A. If I do all the, you know -- do the service that's the one I'm keeping. But
22 if she was doing it her own then maybe she's keeping.

23 Q. This document prepared, so you would have kept a copy of this

1 document? And you could look through here.

2 A. Yeah, I think so.

3 Q. If you want to look through here to find the documents you can see.

4 A. Well, for future use maybe I made it that's why I kept it, otherwise I just
5 threw it away.

6 Q. Right. And that's Jung Jin, right? Now, you'll see in here -- so these --
7 are these the documents that you provided us? I'm showing you a folder now.

8 THE WITNESS: Yeah.

9 MR. HANSON: Okay. Just -- I'm trying to help you refresh your memory.
10 That's the document right there, no?

11 THE WITNESS: Yes

12 Q. So Exhibit N and this one the page before it is Exhibit M. Both of those
13 are documents that you provided me in this folder and these are the documents that you
14 keep at your office.

15 A. Yes.

16 Q. For Jung Jin Corporation.

17 A. Yes.

18 Q. Okay. And so this is a true and accurate copy of the document that's in
19 the --

20 A. Yes.

21 Q. -- this folder, right?

22 A. Uh-huh.

23 MR. HANSON: I'll just have to make sure for the record because I want to make

1 sure that this is authentic, right. Nothing's changed about it. I'm going to show you what
2 I'm going to mark -- and we're almost done. I just have a few more documents. Exhibit
3 -- what's after N? N, O. Exhibit O. Next time I'm going to use numbers.

4 Q. This is a two page -- three page document. It purports to be the
5 1040EZCM for Miss Park Hwa Sun. Who prepared this document?

6 A. I did.

7 Q. And it's a three page document, right?

8 A. Yes.

9 Q. First page is the EZ return. The second page is the -- second page of the
10 return with the rebate calculation and the third page is the W2. And this is for the year
11 2004?

12 A. Yes.

13 Q. And this shows that Mrs. Park received \$12,000 for the year 2004?

14 A. Yes.

15 Q. Is this a true and accurate copy of the return that you --

16 A. Yes.

17 Q. -- that was submitted for Mrs. Park --

18 A. Yes.

19 Q. -- to the Revenue and Taxation?

20 A. Uh-huh.

21 Q. Okay.

22 MR. HANSON: Now, I don't know if made copies -- I was trying to find -- do
23 you

1 Q. Did you prepare for any -- for Jung Jin, did you prepare any BGRTs for
2 2005?

3 A. Yes I did.

4 MR. HANSON: For some reason couldn't find them. This is for 2003. I think I
5 had it before. You know what, I think I had them from before and -- I don't know if had
6 from Jung Jin. Okay. Sorry about this. It's a little bit -- do you know where you would
7 have put the 2005 returns in these -- in these folders? Do you know how it's organized?
8 See these are the jackpot returns, the monthly withholding returns. I've got an employees
9 quarterly withholding return for 2005, but then -- and then it jumps to 2000 -- here I'll
10 show you this, the whole binder. For the record I'm showing that these are the
11 documents that you provided us pursuant to the subpoena; not the ones you gave us
12 pursuant to the discovery request. Those are the ones that we bates stamped, these
13 documents are different however. This other binder for Jung Jin has --

14 THE WITNESS: There should be one because there's 2005 here.

15 MR. HANSON: BGRTs 2003.

16 THE WITNESS: Here 2005.

17 MR. HANSON: You have 2005? Is that --

18 THE WITNESS: You want the last one or?

19 MR. HANSON: Yeah, you have -- do you have fourth quarter?

20 THE WITNESS: I don't have December one here. I think I wrote it and then
21 maybe --

22 MR. HANSON: Okay. I'm going to make a copy of this real quick. We'll go off
23 record for just a few minutes. It's now 20 minutes to 12 and we'll just go off record -- go

1 off record now.

2 OFF RECORD.

3 BY MR. HANSON: Okay. We're back on the record after a very short break.

4 It's about 2 minutes later, at about 17 till noon, March 24th, 2006. This is still Mark
5 Hanson in deposition of Miss Yu.

6 Q. Okay. Miss Yu I'm going to show you what I've marked as Exhibit P, as
7 in Paul. It's a two page document and it purports to be the business gross revenue tax
8 return for Jung Jin Corporation for the third quarter of 2005. To your knowledge is that
9 the latest BGRT that the corporation has in its files?

10 A. Yes.

11 Q. Did you prepare this document?

12 A. Yes.

13 Q. Is it a true and accurate copy of the return that was filed?

14 A. Yes.

15 Q. Okay.

16 MR. HANSON: And -- I'll put that over there, I think that -- very close to being
17 finished. I have a few tabs on these documents I just want to look at but I don't think I'm
18 going to have anymore questions. These are the ones that we already made copies of
19 from the documents from before. I think all of these we already went through. That's it.

20 THE WITNESS: That's it.

21 MR. HANSON: That's all. I'm finished.

22 THE WITNESS: Okay.

23 MR. HANSON: Thank you. Do you have any questions or do you want say

1 anything else?

2 THE WITNESS: I don't think so.

3 MR. HANSON: Okay. Well, thanks for your time. You got the check with the
4 subpoena, right?

5 THE WITNESS: Yes.

6 MR. HANSON: You're the -- you need to take that. Everybody else returned
7 theirs, I keep telling them, that's -- that's for you. That's what the rules say but it was
8 \$45 and that's for you for your time here today.

9 THE WITNESS: Okay.

10 MR. HANSON: And I thank you very much for coming. I know we had to
11 continue it a few times and it's the third time this week, but it's finished. I appreciate
12 your time and with that I'll close the deposition --

13 THE WITNESS: Okay.

14 MR. HANSON: -- and won't bother you anymore. Okay.

15 END OF DEPOSITION.

16

17

18

19

20

21

22

23

LIST OF EXHIBITS

- Exhibit A. Prescreen Checklist form (1 page).
- Exhibit B. Payment Receipt made by Jung Jin Corp. (1 page).
- Exhibit C. Form W-2CM of Park Hwa Sun for 2003 (1 page).
- Exhibit D. Balance Sheet of Asia Enterprises, Inc. for September 30, 2004 (1 page).
- Exhibit E. Balance Sheet of Asia Enterprises, Inc. for December 31, 2003 (1 page).
- Exhibit F. Listing of Non-Resident Workers of Asia Enterprises, Inc. (2 pages).
- Exhibit G. Balance Sheet of Asia Enterprises, Inc. for December 31, 2002 (1 page).
- Exhibit H. Form 1120 CM Corporate Income Tax Return, Form OS-3405A, and Form 7004 with attachments for 2004 of Asia Enterprises, Inc. (11 pages).
- Exhibit I. Handwritten Ledger (9 pages).
- Exhibit J. BGRT of Asia Enterprises, Inc. for 2004 (2 pages).
- Exhibit K. Form 1120 CM Corporate Income Tax Return, Form OS-3405A, 4562 and Form 7004 with attachments for 2003 of Jung Jin Corp. (13 pages).
- Exhibit L. Form 1120 CM Corporate Income Tax Return, Form OS-3405A, 4562 and Form 7004 with attachments for 2004 of Jung Jin Corp. (11 pages).
- Exhibit M. Jung Jin Corporation 1120CM (2003) Worksheet (1 page).
- Exhibit N. Jung Jin Corporation List of Assets, at cost (as of July 10, 2002) (1 page).
- Exhibit O. Form 1040EZ and Form W2-CM for 2004 of Park Hwa Sun (3 pages).
- Exhibit P. BGRT of Jung Jin Corporation for 2005 (2 pages).

RULE 30(f)(1) Certification

I, Mark B. Hanson, do hereby certify:


That the foregoing deposition was taken by digital voice recording on the 24th of March, 2006 in the office of Mark B. Hanson and that the deponent was duly sworn by the undersigned Notary Public for the CNMI;

That the foregoing pages are a true and accurate record of the testimony of the deponent made from the examination record made at the time of the deposition and transcribed under my direction and thereafter verified by me to the best of my knowledge and ability;

That no Rule 30(e) review was requested before completion of the deposition; and

That the deponent has been notified, this day, of the completion of this transcript, the original of which is hereby filed with the office of Mark B. Hanson.

Sworn this 5th day of April, 2006 in Saipan, Commonwealth of the Northern Mariana Islands.



MARK B. HANSON

MARK B. HANSON
NOTARY PUBLIC
Commonwealth of the Northern Mariana Islands
My Commission Expires: DEC 8, 2006
P.O.Box 5682 CHRB Saipan, MP 96950

